

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re

Lordstown Motors Corp., *et al.*,¹

Debtors.

Chapter 11

Case No. 23-10831 (MFW)

(Jointly Administered)

Obj. Deadline: March 18, 2024 at 4:00 p.m. (ET)

**FIFTH MONTHLY APPLICATION OF KPMG LLP
PROVIDING AUDIT SERVICES TO THE DEBTORS REQUESTING
ALLOWANCE OF COMPENSATION FOR SERVICES RENDERED
AND REIMBURSEMENT OF EXPENSES INCURRED FOR THE PERIOD
JANUARY 1, 2024 THROUGH JANUARY 31, 2024**

Name of Applicant:

KPMG LLP

Authorized to Provide Professional
Services to:

Debtors and Debtors in Possession

Date of Retention:

August 15, 2023 *Effective as of*
June 27, 2023

Period for which compensation and
reimbursement is sought:

January 1, 2024 through January 31, 2024

Amount of Compensation sought as
actual, reasonable, and necessary:

\$ 141,845.80

Amount of Expense Reimbursement
sought as actual, reasonable, and
necessary:

\$ 0.00

This is a: X Monthly Interim Final Application

The total time expended for fee application preparation is approximately 9.4 hours and the corresponding compensation requested is approximately \$2,070.80.

¹The Debtors and the last four digits of their respective taxpayer identification numbers are: Lordstown Motors Corp. (3239); Lordstown EV Corporation (2250); and Lordstown EV Sales LLC (9101). The Debtors' service address is 27000 Hills Tech Ct., Farmington Hills, MI 48331.

Prior Monthly Applications Filed: Four

Date Filed / Docket No.	Requested			Approved by Court to Date	
	Period Covered	Fees	Expenses	Fees	Expenses
9/20/23 / Docket # 457 (1st combined monthly)	6/27/23 to 8/31/23	\$72,831.00	\$0.00	\$72,831.00	\$0.00
10/23/23 / Docket # 604 (2nd monthly)					
12/20/23 / Docket # 849 (3rd combined monthly)	10/1/23 to 11/30/23	\$66,278.00	\$0.00	\$53,029.60 (80% of fees)	\$0.00
1/22/24 / Docket # 929 (4th monthly)				\$17,222.56 (80% of fees)	

Prior Interim Applications Filed: Two

KPMG Prior Applications						
Date Filed / Docket No.	Interim Period	Period Covered	Requested		Approved	
			Fees	Expenses	Fees	Expenses
11/14/23 / Docket # 695	1st	6/27/23 – 9/30/23	\$76,264.40	\$0.00	\$76,264.40	\$0.00
2/9/24 / Docket # 961	2nd	10/1/23 – 12/31/23	\$87,815.20	\$0.00	TBD*	\$0.00

*Objection due by 2/29/24.

ATTACHMENT B
TO FEE APPLICATION

COMPENSATION BY PROFESSIONAL

Professional Person	Position & Department	Total Hours Billed	Hourly Billing Rate	Total Compensation
Alexandra Williams	Senior Manager - Audit-Department of Professional Practice	3.3	\$ 765	\$ 2,524.50
Amanda Delaney	Senior Associate - Audit	121.6	\$ 300	\$ 36,480.00
Bradley Lancy	Managing Director - Advisory	0.4	\$ 500	\$ 200.00
Bradley Nemeth	Director - Advisory	1.2	\$ 470	\$ 564.00
Celeste Campbell	Manager - Bankruptcy	1.1	\$ 298	\$ 327.80
Chris Gentle	Partner - Audit	1.5	\$ 500	\$ 750.00
Dan Varnish	Senior Associate - Audit	23.2	\$ 300	\$ 6,960.00
Darcie Garza	Managing Director - Audit - Department of Professional Practice	1.0	\$ 765	\$ 765.00
Darrin Schultz	Partner - Audit	1.8	\$ 500	\$ 900.00
Grace Mancini	Associate - Audit	33.8	\$ 250	\$ 8,450.00
Jennifer Miller	Managing Director - Audit - Department of Professional Practice	0.9	\$ 765	\$ 688.50
John Hintz	Associate - Audit	0.4	\$ 250	\$ 100.00
Ken Grapperhaus	Partner - Audit - Department of Professional Practice	1.0	\$ 765	\$ 765.00
Mark Schierholt	Managing Director - Audit	4.6	\$ 450	\$ 2,070.00
Melina Lynn	Associate - Audit	164.6	\$ 250	\$ 41,150.00
Memory Liang	Director - Advisory	0.4	\$ 470	\$ 188.00
Michael Sarkis	Associate - Audit	59.6	\$ 250	\$ 14,900.00
Mila Orobias	Associate - Bankruptcy	8.3	\$ 210	\$ 1,743.00
Peter Bradford	Managing Director - Advisory	0.3	\$ 500	\$ 150.00
Sara Rufo	Senior Manager - Audit	42.0	\$ 400 ¹	\$ 16,800.00
Scott Stelk	Partner - Audit	9.9	\$ 500	\$ 4,950.00
Thomas Hickey	Manager - Audit	0.4	\$ 350	\$ 140.00
Trey Hallock	Manager - Audit	0.8	\$ 350	\$ 280.00
Hours and Fees at Discounted Rates		482.1		\$ 141,845.80
Total Discounted Fees				\$ 141,845.80
Out of Pocket Expenses				\$ -
Total Fees & Out of Pocket Expenses				\$ 141,845.80
Less Holdback Adjustment (20%)				\$ (28,369.16)
Net Requested Fees & Out of Pocket Expenses				\$ 113,476.64
Blended Rate			\$ 294.22	

¹ Rate changed due to promotion effective 10/1/23.

ATTACHMENT B
TO FEE APPLICATION
 (continued)

COMPENSATION BY PROJECT CATEGORY

Project Category	Total Hours Billed	Total Fees Requested
Audit Services	472.7	\$ 139,775.00
Retention Services	0.0	\$ -
Fee Application Preparation Services	9.4	\$ 2,070.80
Total	482.1	\$ 141,845.80

EXPENSE SUMMARY

Service Description	Amount
Airfare	\$ -
Lodging	\$ -
Meals	\$ -
Ground Transportation	\$ -
Miscellaneous	\$ -
Total	\$ -

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**FIFTH MONTHLY APPLICATION OF KPMG LLP
PROVIDING AUDIT SERVICES TO THE DEBTORS REQUESTING
ALLOWANCE OF COMPENSATION FOR SERVICES RENDERED
AND REIMBURSEMENT OF EXPENSES INCURRED FOR THE PERIOD
JANUARY 1, 2024 THROUGH JANUARY 31, 2024**

KPMG LLP², (“KPMG”) as audit service providers to the above-captioned debtors and debtors-in-possession (collectively, the “Debtors”) files this Fifth Monthly Application (the “Application”), pursuant to section 330 and 331 of title 11 of the United States Code (the “Bankruptcy Code”), Rules 2014 and 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and Rules 2014-1, 2016-1 and 2016-2 (h) of the Local Rules (the “Local Rules”) of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “Court”) and this Court’s *Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Chapter 11 Professionals and Committee Members*, dated July 25, 2023 (the “Interim Compensation Order”) [Docket No. 181]. By this Application, KPMG seeks the allowance of compensation for professional services performed and actual and necessary expenses incurred

² Capitalized terms used herein but not otherwise defined shall have those meanings set forth in the Application.

by KPMG for the period from January 1, 2024 through January 31, 2024 (the “Compensation Period”), in the amount of \$141,845.80 and respectfully represents:

Background

1. On June 27, 2023 (the “Petition Date”), the Debtors each commenced with this Court a voluntary case under chapter 11 of the Bankruptcy Code (collectively, the “Chapter 11 Cases”). The Chapter 11 Cases are being jointly administered for procedural purposes only pursuant to Bankruptcy Rule 1015(b). The Debtors continue to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. On July 11, 2023, the United States Trustee for the District of Delaware (the “U.S. Trustee”) appointed the official committee of the unsecured creditors (the “Committee”). No trustee or examiner been appointed in these Chapter 11 Cases.

2. On July 27, 2023 the Debtors filed a *Debtors’ Application for an Order (A) Authorizing the Retention and Employment of KPMG LLP to Provide Audit Services to the Debtors Effective as of the Petition Date and (B) Granting Other Related Relief* to the Debtors and Debtors-in-Possession effective as of June 27, 2023 (the “Retention Application”) [D.I. 200] and in support of the Retention Application, the Debtors submitted the Declaration of Scott Stelk (the “Stelk Declaration”).

3. By this Court’s Order, dated August 15, 2023 [D.I. 254] (the “Retention Order”), the Debtors were authorized to retain KPMG to provide audit services effective as of the Petition Date. The Retention Order authorizes the Debtors to compensate KPMG in accordance with the procedures set forth in sections 330 and 331 of the Bankruptcy Code, the

Bankruptcy Rules, the Local Rules, and such other procedures as were fixed by order of the Court.

Jurisdiction

4. The Bankruptcy Court for the District of Delaware (the “Court”) has jurisdiction to consider this Application under 28 U.S.C. §§ 157 and 1334 and the Amended Standing Order of Reference, dated February 29, 2012 (Sleet, C.J.). This is a core proceeding under 28 U.S.C. § 157(b). Venue of the Chapter 11 Cases and this Application is proper in this District under 28 U.S.C. §§ 1408 and 1409.

Summary of Application

5. During the Compensation Period, KPMG performed the services for which it is seeking compensation on behalf of or for the Debtors and their estates and not on behalf of any committee, creditor, or other person. By this Application, KPMG requests allowance of monthly compensation of professional fees totaling \$141,845.80, and payable in accordance with the Interim Compensation Order at eighty percent (80%) of fees or \$113,476.64 and reimbursement of one hundred percent (100%) of necessary and actual out-of-pocket expenses in the amount of \$0.00.

Summary of Services Rendered During the Compensation Period

6. This Application is KPMG’s Fifth Monthly Application for compensation and expense reimbursement filed in these Chapter 11 Cases. During the Compensation Period, KPMG provided significant professional services to the Debtors’ in their efforts to navigate their business through the chapter 11 process.

7. Set forth below is a summary of the professional services that KPMG rendered to the Debtors during the Compensation Period and annexed hereto as Exhibit A is a chart depicting KPMG professionals who rendered these services.

Audit Services

- Continued to provide services related to the Audit of consolidated balance sheets of Lordstown Motors Corp. as of December 31, 2023 and 2022, the related consolidated statements of operations, stockholders' equity and cash flows for each of the years in the three-year period ended December 31, 2023 and the related notes to the financial statements and quarterly reviews for the quarters ended September 30, 2023.

Fee Application Preparation

- The billing procedures required by the US Trustee Guidelines differ from KPMG's normal billing procedures and as such, the Local Rules and the Interim Compensation Order entered in these cases have required significant effort to inform the timekeepers of their responsibilities, compile the detailed time and expenses entries, begin preparation of the detailed and summary schedules of fees and expenses incurred, and begin drafting the schedules included in the monthly fee applications.

8. During the Compensation Period, KPMG billed the Debtors for time expended by professionals based on hourly rates ranging from \$210 to \$765 per hour. The rates reflected in this Application represent a reduction of up to 57% from KPMG's standard rates. Of the aggregate time expended, 14.2 hours were expended by partners, 7.2 hours were expended by managing directors, 1.6 hours were expended by directors, 45.3 hours were expended by senior managers, 2.3 hours were expended by managers, and 411.5 hours were expended by senior associates and associates. KPMG's blended hourly rate for services provided during the Compensation Period is \$294.22.

9. In addition to Attachment B, a summary of the hours and fees incurred by professional, and category is annexed hereto as Exhibit A and Exhibit B, respectively, and

described in detail in the time records annexed hereto as Exhibits C1 – C3. KPMG maintains contemporaneous records of the time expended for the professional services and expenses related hereto performed in connection with these Chapter 11 Cases and such records are maintained in the ordinary course of business.

10. KPMG charges its fees in these cases in accordance with the terms set forth in the Retention Application and the corresponding Stelk Declaration. The fees applied for herein are based on the usual and customary fees KPMG charges to its clients and are commensurate with the usual and customary rates charged for services performed.

11. KPMG respectfully submits that the amounts applied for herein for professional services rendered on behalf of the Debtors in these cases to date are fair and reasonable given: (a) the time expended; (b) the nature and extent of the services performed at the time at which such services were rendered; (c) the value of such services; and (d) the costs of comparable services other than in these Chapter 11 Cases.

12. The time and labor expended by KPMG during the Compensation Period has been commensurate with the size and complexity of these cases. In rendering these services, KPMG has made every effort to maximize the benefit to the Debtors' estates, to work efficiently with the other professionals employed in these cases, and to leverage staff appropriately in order to minimize duplication of effort.

13. During the Compensation Period, KPMG provided a focused range of professional services as requested by the Debtors. KPMG respectfully submits that these services: (a) were necessary and beneficial to the successful and prompt administration of these cases; and (b) have been provided in a cost-efficient manner.

14. Except as set forth in the Retention Order, no promises concerning compensation have been made to KPMG by any firm, person, or entity.

Summary of Actual and Necessary Expenses During the Compensation Period

15. As set forth on Exhibit D, KPMG is not seeking reimbursement of actual and necessary expenses incurred by KPMG during the Compensation Period cases.

Reservation

To the extent that time for services rendered or disbursements incurred relate to the Compensation Period but were not processed prior to the preparation of this Application, KPMG reserves the right to request additional compensation for such services and reimbursement of such expenses in a future application. Furthermore, KPMG reserves the right to seek final approval of the fees and expenses requested herein.

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Conclusion

WHEREFORE, KPMG respectfully requests that, pursuant to the Interim Compensation Order, KPMG is (i) allowed monthly compensation of professional fees totaling \$141,845.80 and payable in accordance with the Interim Compensation Order at eighty percent (80%) of requested fees or \$113,476.64; (ii) allowed reimbursement of expenses billed during the Compensation Period of \$0.00; (iii) authorized to be paid its allowed fees and expenses for the Compensation Period; and (iv) granted such other and further relief as the Court may deem proper.

Dated: February 26, 2024

Respectfully submitted,

/s/ Scott Stelk

Scott Stelk

KPMG LLP

345 Park Avenue

New York, NY 10154-0102

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**DECLARATION PURSUANT TO RULE 2016-2 OF THE
LOCAL RULES OF BANKRUPTCY PROCEDURE FOR THE
UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE**

I, Scott Stelk, being duly sworn, deposes and says:

1. I am a Certified Public Accountant and a Partner of KPMG LLP (“KPMG”), a professional services firm.
2. By Order dated August 15, 2023, KPMG was retained to perform Audit Services for the above captioned debtors and debtors in possession (the “Debtors”). I submit this Declaration in conjunction with KPMG’s application, dated February 26, 2024 (the “Application”) for KPMG’s fifth monthly fee application for compensation and allowance of expenses for the period January 1, 2024 through January 31, 2024.
3. I have personally performed some of the services rendered by KPMG to the Debtors and am thoroughly familiar with the work performed on behalf of the Debtors by the professionals of KPMG.

¹ The Debtors and the last four digits of their respective taxpayer identification numbers are: Lordstown Motors Corp. (3239); Lordstown EV Corporation (2250); and Lordstown EV Sales LLC (9101). The Debtors’ service address is 27000 Hills Tech Ct., Farmington Hills, MI 48331.

4. I have reviewed the foregoing Application and the facts set forth therein are true and correct to the best of my knowledge, information, and belief. Moreover, I have reviewed Rule 2016-2 of the Local Rules of Bankruptcy Procedure for the United States Bankruptcy Court for the District of Delaware and submit that the Application substantially complies with such Rule.

I declare under the penalty of perjury that the foregoing is true and correct.

Executed this 26th day of February, 2024.

/s/ Scott Stelk

Scott Stelk
KPMG LLP
345 Park Avenue
New York, NY 10154-0102